



California Public Employees'
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FACT SHEET: INVESTMENTS

CalPERS 2009 Focus List

Company At-A-Glance

HILL-ROM HOLDINGS, INC. (HRC) – BATESVILLE, INDIANA

Hill-Rom Holdings provides medical technologies and related services for the health care industry in the United States and internationally.

MARKET CAPITALIZATION

\$614.5 Million

CALPERS HOLDINGS

\$3.5 Million

TOTAL STOCK RETURNS ENDING 02/27/2009

TSR Ending 2/27/2009	Hill-Rom Holdings (HRC)	Russell 1000 Index	<u>Relative Return</u> Russell 1000 Index	Medical & Dental Instruments & Supplies Russell Industry GICS Peer Index	<u>Relative Return</u> Russell GICS Peer Index
5 years	-69.5%	-28.1%	-41.4%	14.5%	-84.0%
3 years	-61.9%	-39.1%	-22.8%	-28.9%	-33.0%
1 year	-64.6%	-43.6%	-21.0%	-36.9%	-27.6%

Source: FactSet

CALPERS CONCERNS

- HRC's stock has underperformed relative to the Russell 1000 index and its industry peer index over the 1, 3 and 5 year time periods ending February 27, 2009.
- The company refused to seek shareowner approval and recommend a "FOR" vote to remove its classified or "staggered" board structure.
- The Board of Directors has adopted the default provision under Indiana law that prohibits shareowners from amending the bylaws. The Board is unwilling to take the necessary action

to provide for this important shareowner right. Only 4% of companies in the Russell 1000 employ such restrictions on shareowner rights.

- The Board of Directors has opted not to take necessary action to seek shareowner approval to amend the articles of incorporation for the purpose of removing the supermajority voting requirements.

WHAT THE COMPANY AGREED TO DO

Adopt a majority voting standard for director elections, seek shareowner support for an annual non-binding advisory vote on executive compensation practices, and adopt an executive compensation claw-back policy for Section 16 officers.